

Farmers' Associations Need help for Successful Marketing

By Mohamed Mtumbi¹



Mohamed Mtumbi, crop officer for Muheza

I am the crop officer for Muheza District Council. I help farmers to grow their crops in a modern way to get high yields and good prices. In Muheza farmers grow oranges and mangoes, maize; cassava and spices (cloves, cinnamon, cardamom and black pepper). My responsibility is to advise farmers how to grow and market their produce better. Our main cash crop for small farmers is oranges but we have other cash crops like coconuts, sisal and tea.

Marketing: a Problem

The particular challenge of the orange growers is that the farm gate price is very low. Some farmers sell in groups and others sell individually. There are four associations but these are at a low level and they do not have good market access. If a farmer sells through an association, the association finds the buyer and negotiates the price. The farmers are told when to harvest the crop and because oranges are heavy the buyer comes to the farm to collect the oranges. The oranges go to markets in Dar es Salaam, Arusha, Morogoro, Dodoma and Moshi but almost half go to Kenya.

¹ Interviewed by Anne Dennig in April 2008

The Varieties that we Grow

The farmers have to produce varieties which are suitable for transportation and good for processing. Valencia is the best for transportation as it is harder and does not get damaged easily. Although it is possible to put oranges into crates these are expensive. So although we have recommended farmers to use crates they continue to pick them before they are really ripe and transport them loose. In Tanzania most people eat oranges raw, only a very small proportion of oranges are sold for processing into juice.



Oranges collected from Muheza

We advise the farmers to plant Valencia; both the early and the late varieties. The late Valencia fetches a higher price because they ripen later when all other oranges are finished. But if we have the early too we will have oranges right through the season. The orange season starts at the end of April, peaks in June and July and continues up to December. There are oranges in Muheza almost all the year round.

Produce and Prices

The average size of orange plantations in this area for a small farmer is about three acres. There are some farmers who own 20 acres and even some who own 40 acres of oranges. It is possible to produce 40 tons of oranges per acre or 60-80 tons with good husbandry. In Muheza we produce around 6,000 to 7,000 tons of oranges per

season. This is a low estimate, it could be more.

The farm gate price fluctuates. It is on average 20-30/= Tshs per piece. When there are shortages it goes up to 100/= Tshs each. But the price can go down to 10/= Tshs if supply is high. There are about 5 oranges to 1 kg which makes the price of a kilo approximately 100-150/= Tshs.

Communications

Many of the farmers have a mobile phone; they see it as a necessity. The middlemen also have mobiles and the associations use phones to contact their members. Farmers have the capacity to buy the mobile phones now, they cost from 50,000-100,000/=Tshs.

The Orange Associations

There are probably about 40-50 farmers in any one association. They are not yet properly organised. To get them to work well we need a lot of effort to get good joint marketing to the buyers. Anyone can join an association. Their fees are around 10,000/=Tshs for entry and then a monthly subscription fee of 1,000 or 500/=Tsh. These fees cover the costs of their management, office requirements and marketing committees.

Farmers are Cheated by Middlemen

At the moment farmers don't see the importance of associations so they don't join and they are therefore open to the middlemen who are causing interruptions in the chain. The middleman connects the buyer and the farmer; the buyer is normally unable to find the farmer easily as some are in the interior areas. Therefore the buyer negotiates the price with the middlemen who go to the farmers and say that they want to buy all the oranges at a certain price. The farmers do not know the buyer so in the farmers' minds the middleman is the buyer.

Even in associations they are not educated enough to find the buyers and they have also been penetrated by the middlemen. Sometimes the middleman give incentives to the farmers, if they are in difficulty they can get some small amounts of money from the middlemen in advance and most of the farmers in the interior need money.

The Need for a Market Access Company

I think that it is important to have a market access company to organise marketing at a fair price and overcome cheating. Such an organisation should collect oranges from the farmers instead of the middlemen. This will ensure that the farmer has a market for his oranges and a better price. We have already thought of forming a market access company to link farmers to reliable buyers, companies and factories. We hope that the newly formed MuMac backed by AgriBiz Dev Co, will be able to perform this role effectively.

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